



« Dynamise les entreprises sénégalaises »

Dyna makes site visits to all microfinance institution branch offices to confirm requests for assistance are based on demonstrable needs. While making site visits in Ziguinchor this quarter the Dyna staff member started the interview with a frequently asked question to ascertain the effectiveness of our “viral marketing” campaign. The question was

“What do you know about Dyna ?”

The initial response of the rural credit union branch manager was reassuring.

“Dyna works with decentralized financial systems in Senegal”

His next comment was more telling.

“I know that Dyna is very rigorous, particularly with deadlines...even a one minute delay is not tolerated at Dyna.”

Dyna means business

SIXTH QUARTERLY PERFORMANCE REPORT

01 April 2001– 30 June 2001

USAID PROJECT : 685-C-00-00-00002-00

SUBMITTED TO: USAID/SENEGAL

PRIVATE SECTOR STRATEGIC OBJECTIVE (SO1)

SUBMITTED BY: CHEMONICS INTERNATIONAL
DYNAENTREPRISES PROJECT

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CEMONICS INTERNATIONAL, INC.

ACRONYMS

ACEP	<i>Alliance de Crédit et d'Epargne pour la Production</i>
AT/CPEC	<i>Assistance Technique aux Caisses Populaires et d'Epargne et du Crédit</i>
CAPAF	<i>Programme de Renforcement des Capacités des IMF en Afrique Francophone</i>
CCBM/EBI	<i>Comptoir Commerciale Bara Mboup - Espace Bureautique Informatique</i>
CGAP	<i>Groupe Consultatif d'Assistance aux Plus Pauvres</i>
CIPE	Center for International Private Enterprise
CLIN	Contract Line Item
COFDEC	<i>Collectif des Femmes pour le Développement de l'Epargne et du Crédit</i>
CONACAP	<i>Conseil National pour la Promotion et le Développement des Caisses Populaires</i>
CSE	<i>Centre de Suivi Ecologique</i>
CTC	Community Training Centers – Peace Corps
ENDA	<i>Environnement Développement en Afrique</i>
FDEA	<i>Femme Développement Entreprise en Afrique</i>
FIARA	<i>Foire Internationale de l'Agriculture et des Ressources Animales</i>
FNGPF	<i>Fédération Nationale des Groupements de Promotion Féminine</i>
GERME	<i>Gérer Mieux Votre Entreprise</i>
IBI	International Business Initiatives
ILO	International Labor Organization
IPD-AOS	<i>Institut Pour le Développement / Afrique de l'Ouest Sahel</i>
IT	Information Technology
KIR	Key Intermediate Result
LOP	Life of Project
MCEG NAFA	<i>Mutuelle de Crédit et d'Epargne et de Garantie (Nafa is “billfold” in Wolof)</i>
MECFAM	<i>Mutuelle des Femmes du Mouvement Acapes</i>

PAID/WAS	Panafrican Institute for Development / West Africa Sahel (IPD-AOS)
PMP	Performance Monitoring Plan
RECEC	<i>Réseau des Caisses d'Epargne et du Crédit des Femmes de Dakar</i>
REMIX	<i>Réseau d'Etudes et d'Informations pour la Minimalisation des Risques d'Exploitations</i>
RESIG	<i>Réseau Sénégalais d'Institutions GERME</i>
RTT	Results Tracking Table
SEAD	Small Economic Activities Development
SMI	Savings Mobilization and Investment
SO	Strategic Objective
TDC	<i>Technologie Développement Consultance</i>
UMEC	<i>Union des Mutuelles d'Epargne et de Crédit - Sédhiou</i>
UM PAMECAS	<i>Union des Mutuelles du Partenariat pour la Mobilisation de l'Epargne et du Credit</i>
UNACOIS	<i>Union Nationale des Commerçants et Industriels du Sénégal</i>
USAID	United States Agency for International Development
USU	Umbrella Support Unit

QUARTERLY PERFORMANCE REPORT

Dyna-Entreprise Senegal - Chemonics Contract

April 2001 – June 2001

Quarter 6 of 20

CONTRACTOR: Chemonics International, Inc.
CONTRACT #: 685-00-00-C-00002-00
REPORTING PERIOD: April 2001 – June 2001 (Quarter 6 of 20)
USAID OFFICE: Strategic Objective 1

I. EXECUTIVE SUMMARY

The DynaZiguinchor office was identified during this reporting period of the months of April, May and June 2001. A lease will be signed next quarter and the office opened in August thereby completing the contractually-obliged number of regional offices. This quarter saw the scheduled departure of the expatriate Administrative and Financial Director to the Chemonics Home Office in Washington. She was replaced by a local hire. The scheduled departure of the Microfinance Administrator was also completed by the end of this quarter reducing the expatriate personnel on the project from five to three. Prior to her departure the Microfinance Administrator worked with the project Administration to develop and introduce three new contracting modalities to the Dyna team. These methods are Blanket Purchase Orders (BPO), Blanket Purchase Agreements (BPA) and Indefinite Quantity Contracts (IQC). These three modalities will be launched early next quarter.

The Microfinance Team presented two Information Days in Ziguinchor and Bakel during the months of May and June, respectively. New partners signing agreements for Dyna assistance this quarter include the PAMECAS network for computer networking, the *Union des Femmes Commerçantes* (UFC) for training and marketing, and the individual and independent credit union, CAPEC JOBASS, for training. Needs assessments for computer networking were undertaken for PAMECAS, UNACOIS and the Cellule AT-CPEC within the Ministry of Finance. The Palm Computing and Senegal Microfinance Network experience studies made initial reports and will be completed early next quarter. The Savings Investment and Mobilization program at the village-level continued to report significant growth. In early June, Dyna co-sponsored twelve (12) Senegalese participants to attend the Microfinance Network Conference in Washington. All participants paid 25% of the total cost to attend this conference.

The Dyna Business Development team continued their innovative training program this quarter with follow-up activities in mango processing and neem transformation. However, the greatest success was the culmination of several months of negotiation with the ILO to decentralize and cost share their training modules entitled GERME (*Gerer Mieux Votre Entreprise*). ILO and Dyna staff worked over several months to develop a joint training in GERME in the Tambacounda Region. This training was finally realized in May 2001 and serves as an example of collaboration between a regionally mandated, multilateral program and a nationally mandated, bilateral project with each bringing their respective comparative advantage to bear to improve the final product for the client. Dyna also initiated significant Information Technology oriented activities this quarter. These included the formal, public launch of the tender bid

website (3722 hits at this writing) and a census of all the cybercafes in Senegal (180 in mid-2001). Another IT-related activity is the second series of cybercafe trainings held in Thies and Petit Mbao this quarter.

Dyna recorded a record expenditure amount for the project of \$1.4 million this quarter. Total expenditures to-date represent just over 20% of total funds allocated to the project. Adding accruals to these “real” expenditures raises this amount to around 25% of funds allocated. These accruals are the result of the tender bid approach to project implementation used by Dyna which result in outstanding but contractually obligated expenditures within the many contracts signed with local service providers. Once the deadlines on deliverables approach and contractors make submissions these accruals are drawn down. At the end of this quarter accruals accounted for around \$515,000.

II. BACKGROUND

This is the 6th Quarterly Report of the USAID Senegal funded project to support the Private Sector Strategic Objective (SO #1). The strategic objective is

to achieve sustainable increases in private sector income generating activities in selected sectors.

The two key intermediate results (KIRs) supported by this project are

- (1) *improved access to financial services by microentreprises and small business entrepreneurs and*
- (2) *adoption by more microentreprises and small/medium enterprises of best technical and managerial techniques.*

The project mandate is a geographic focus around Dakar's peri-urban surroundings (Pikine and Rufisque departments within Dakar Region and Thies Region) and rural areas in the south (Kolda, Tambacounda, and Ziguinchor regions). The implementing team is comprised of two in-country contractors (Chemonics International and the Umbrella Support Unit) and an expanded team including two subcontractors (International Business Initiatives and the Center for International Private Enterprise) plus the USAID Senegal Strategic Objective #1 team. The two technical teams within the project, Microfinance and Business Development, correspond directly to the two KIRs listed above. The project is locally named "*DynaEntreprises Sénégalaises*" to denote the objective to "dynamize" or catalyze the entrepreneurial sector in Senegal by addressing the constraints confronting the private sector in their access to financial resources and quality of human, technical and managerial resources. Partners and clients shorten this formal name to "DynaEntreprises" or just "Dyna".

III. ADMINISTRATION

In addition to the regular administrative responsibilities outlined below, this reporting period was marked by three major events in the management of the project. First, preparation for and selection of office space in Ziguinchor were completed. This fourth and final, contractually obliged, regional office will become available next quarter on 1st August 2001. Second, the expatriate Director of Administration and Finance (DAF) for DynaDakar departed Senegal as scheduled after 16 months in-country. The expatriate DAF was replaced by a local hire. The expatriate Microfinance Administrator also departed Senegal, as planned, at the end of June 2001. Prior to her departure the Microfinance Administrator led the development of three new contracting modalities for the project (see below).

Home Office Support. The Project Supervisor from the Chemonics Home Office made a site visit to the project during the month of June 2001. His visit provided an opportunity for the Home Office to become more familiar with project activities. He held interviews with project staff and partners while also visiting on-going project events during his stay. The project was also featured in the Chemonics Annual Report and Annual publicity document, Foreign Exchange. The microfinance activities were highlighted in the former while the business development activities were featured in the latter.

Personnel. As the project passed its one-year anniversary a personnel evaluation process began during this quarter for the first employees recruited by Dyna a year previous. New staff hired on long-term contracts (1 to 2 years) include a third member of the DynaDakar Business Development staff. She will be responsible for the information and communication portfolio. A contractor was hired on a one-year term to provide additional support to the growing business development activities at the DynaKolda office. On the Microfinance team, the senior administrative assistant at DynaDakar was signed to a two-year contract. Administrative hires during this period included an administrative coordinator and a secretary for DynaThies plus a junior information technology specialist for DynaDakar.

Contracts. The Administration, in collaboration with the Microfinance Administrator, developed three new contracting modalities this quarter for implementing technical activities. These modalities will provide the technical teams with more flexible and quickly disbursing instruments for assisting their targeted clients. The three contract modalities are Blanket Purchase Agreements (BPA), Blanket Purchase Orders (BPO) and Indefinite Quantity Contracts (IQC). All three modalities will be operational during the next quarter.

Microfinance institution support contracts were signed with REMIX to provide a study of the microfinance network experience in Senegal. Dyna signed a contract with Cabinet Sarr to organize and animate the next three Microfinance Information Days scheduled for Ziguinchor, Bakel and Kedougou. The marketing and communication firm, Albatros, was signed to provide their services to the nascent microfinance network UMEC in Sédhiou Department.

The Administrative team produced contracts for several Business Development activities this quarter. A contract was signed with ASADE to provide a training in *neem* processing. Another training contract involved Gestion Plus providing services to women livestock promoters. Sahel 3000 signed a contract to provide organizational services for a Business Forum in Kolda while Hodar Conseil signed to organize a retreat on the theme of Family Businesses. YINTERNET.ORG signed two contracts this quarter; one for the organization of two cybercafe trainings in Thies and Petit Mbao plus the development of an Internet Passport full of information on Internet access and availability in Senegal.

Administration in the Next Quarter. Next quarter the Administrative team will focus on recruitment for Ziguinchor, implementation of the new contracting modalities plus preparation and participation in the FY 2002 planning process. The newly recruited DAF will travel to the US for training with a stint at Chemonics Washington to meet his Home Office counterparts while becoming more familiar with Chemonics procedures. While the DAF is in the US a member of the Home Office backstop team will replace him and similarly gain experience with his Field Office counterparts. The Contracts Officer will be on vacation during the next quarter and will travel to the US. She will also make an orientation visit to the Chemonics Office while in the Washington area.

IV. MICROFINANCE

The encouraging results reported last quarter continued into the present reporting period for the microfinance clients supported by Dyna. While the majority of Dyna clients are making significant progress, two groups are encountering problems. One of these is a network of branches (RECEC) while the other is an individual and unaffiliated credit union (MECFAM). In both cases, institutional and managerial problems are hindering their progress. In the former case, Dyna will provide additional assistance to RECEC to assist them to collect and use their own monitoring data. In the case of MECFAM, an external audit has been commissioned and is presently underway. Dyna awaits the result of this audit before continuing activities with MECFAM.

TABLE 1: *Seven largest microfinance networks in Senegal*

#	Network Name	Member-ship	Credit Amount		Savings Amount		Ratio of Credit/Savings
			'000 of FCFA	USD	'000 of FCFA	USD	
1	CMS	103,969	4,915,915	6,554,553	8,109,523	10,812,697	0.61
2	PAMECAS	42,806	1,593,000	2,124,000	2,373,000	3,164,000	0.67
3	FDEA	24,782	533,241	710,988	125,101	166,801	4.26
4	ACEP	11,373	9,520,300	12,693,733	1,026,814	1,369,085	9.27
5	RECEC	10,529	338,969	451,959	128,201	170,935	2.64
6	UMEC SEDHIOU	7,741	213,486	284,648	138,626	184,835	1.54
7	UNACOIS	2,934	346,962	462,616	2,049,699	2,732,932	0.17
TOTAL		204,134	17,461,873	23,282,497	13,950,964	18,601,285	1.25

At the end of a year and a half of activities implementing the project strategy the Dyna program is working with five of the seven largest microfinance networks in Senegal. The data are presented in Table #1 above. Dyna is still in negotiation with a sixth member of these seven (FDEA) and remains open to working with CMS. Under its demand-driven approach, Dyna has not yet received a request for assistance from the latter. It is interesting to note that these seven institutions account for 82% of the credit, 92% of the savings and 80% of the membership among registered microfinance institutions in Senegal. These are preliminary data from the Dyna-commissioned study of the microfinance network experience in Senegal that began work during this quarter.

A. Grant Eligible Institutions. No new grants were signed in this reporting period. The only grant in the Dyna portfolio remains ACEP because of its particular approach to microfinance; ACEP is more of a financial institution than a credit union. For most partners, Dyna continues to prefer other assistance modalities to grants in working with microfinance institutions. As mentioned in the Administrative section of this report Dyna is putting into place new contracting modalities to expand this form of assistance. Grants are likely to remain a minor implementing method for Dyna over the life of the project.

The only advantage grants offer over contracts and purchase orders is to implement credit lines and personnel costs; two assistance types that Dyna prefers to avoid. There is ample credit

available for existing microfinance institutions that qualify. Those institutions that do not qualify do not need easier terms but institutional strengthening to allow themselves to qualify. Sponsoring growth of personnel in institutions incurs significant recurrent costs for the client which Dyna wants to avoid.

PHOTO 1: ACEP Office in Guédiawaye (peri-urban Dakar)

1. ACEP Grant. This grant was signed in January and activities became significant this quarter. Branch offices have been opened in Thiaroye, Keur Massar, Guediawaye and Sedhiou. These branch offices are fully operational and members have begun to join. The first loans are also being made. ACEP has made a second request of Dyna not in a grant format. This request consists of assistance in establishing a computer network for all seven of their active regions. While the request is manageable and on the same scale as similar support Dyna is providing to PAMECAS and UNACOIS, the team prefers to await more tangible results from the grant program before initiating a second activity with ACEP. A decision will likely be made on this second request during the next quarter.



2. FDEA Grant Application. Dyna received the audit performed on FDEA but was unsatisfied with the initial results. Discussions are still underway with FDEA and grant assistance to this group is unlikely. However, they will be eligible for assistance under other modalities with Dyna, particularly training.

B. Non-grant Eligible Institutions. Dyna's greatest growth among microfinance clients is with non-grant eligible institutions. The growth and interest is at such a heightened level that the distinction between grant and non-grant eligible becomes less important than originally envisioned under the contract.

1. UNACOIS Branch Training. The follow-up trainings have continued by the service provider to the initial tranche of 13 branch offices. Dyna evaluated the UNACOIS request to assist the balance of their branches to reinforce their nascent network. Similar training assistance to a complement of 15 branches to the original 13 is scheduled to begin next quarter and will be implemented under the IQC mechanism.

2. UNACOIS Equipment. The follow-up visits from last quarter identified the need for additional training because of differentiation among branches in the level of use of the computer equipment. Dyna's sub-contractor partner, IBI, visited during the quarter and identified for each of the 13 branches involved their level and needs for follow-up training. This information was

then used to provide input to the follow-up trainings envisioned in the original contract with the service provider. These follow-up, on-site trainings have had significant impact (see Success Story in Annex II). A pool of the three top computing performers within the UNACOIS network have been identified and are now assisting their sister branches. Historic and recurrent data are being entered branch-by-branch to provide a basis for UNACOIS to monitor its progress over time.

PHOTO 2: UMEC-UNACOIS Headquarters

3. UNACOIS Headquarters. UNACOIS has also requested assistance to equip and train the headquarters located in downtown Dakar. UNACOIS leadership found and financed the acquisition of this locale and made the necessary physical improvements. Their request to Dyna is for assistance in establishing a computer network at this new headquarters. The specifications were researched and an order passed to the US for procuring the initial computer networking needs for the UNACOIS headquarters. A local firm will be hired to install the wiring and provide basic computer training.



4. FNGPF Training. A follow-up training for the branch offices of the *Fédération Nationale des Groupements de Promotion Féminine* focused on the areas in need of strengthening during the monitoring visits of last quarter. These areas are (1) increased management training, (2) training branch technical staff (managers and tellers) and (3) greater involvement of members in branch management. The service provider recruited five (5) interns from the National School for Applied Economics to provide this on-site technical assistance over the course of several months.

The FNGPF request to extend training to the remaining branch offices was studied and accepted during this quarter. Dyna policy remains to work with all branch offices of networked microfinance institutions, even if some of the member branches are outside the targeted zones. Those branches outside the targeted Dyna areas will count against the “out-of-zone” put aside. Dyna’s out-of-zone policy is based upon the idea that more harm than good is foisted upon microfinance networks if the out-of-zone branches are not taken into account. Working only with the “in-zone” branches would introduce a disequilibrium into the network.

5. RECEC. The *Réseau des Caisses d’Epargne et du Crédit des Femmes de Dakar* produced the required police report and made the electrical system changes necessary to avoid another fire at the Guinaw Rails branch. Based upon these corrective actions Dyna is prepared to restart support activities to this client. The first activity will be the delivery of the material that has been on-hold since December because of the suspicious nature of the fire. These items will now be delivered. The second activity will be to provide training, particularly in branch management and results monitoring.

6. UMEC Reinforcement. The assistance package to the *Union des Mutuelles d'Epargne et Crédit de Sédhiou* got off to an excellent start this quarter. The joint program of technical training and marketing implemented by three firms is working well. These firms organized a forum in Sédhiou to convene all partners and stakeholders involved in supporting the UMEC network (see Success Story in Annex III). Information was shared openly on the strengths and weaknesses of each the 22 branches and the UMEC headquarters. A financial and managerial reference point was established for each branch to identify needs and to measure future progress. Action plans for each branch, as well as the UMEC technical and operational manuals were translated into the three languages spoken in the region; Diola, Manding and Pulaar. Training at the branch level is underway using a participatory approach of active coaching. Efforts to improve the accounting procedures are progressing on a branch-by-branch basis with a learning-by-doing approach.

The marketing program has also started well. The local marketing firm held an open competition in the region to select the best design for a new logo for the network. They are presently working, in a similar participatory fashion, to identify a network slogan. They will now begin the overall marketing campaign to reinforce the concept of the network, familiarize the local population with its existence and instill a team spirit across the branches. Dyna is encouraged by the efforts to-date by both the service providers and the client in Sédhiou. A second request for assistance has been received from UMEC and Dyna studied the proposal during this last quarter. If the present positive trend in results achievement continues, Dyna will have no hesitation to continue supporting the professionalization of the UMEC network.

7. COFDEC. Because of their contrasting levels of performance, reporting on COFDEC and MECFAM will henceforth be separated. While these two groups were trained together their performance has been on opposite ends of the results spectrum. COFDEC has been making significant progress. Their reporting has been on-time and complete. They requested to attend a microfinance training in Burkina to which Dyna sponsored one member at 75% of total cost (COFDEC paid the remaining 25%). A second request for assistance from COFDEC is under study by Dyna technicians.

8. MECFAM. This individual and independent credit union has management and corporate governance problems that were highlighted by the Dyna-sponsored training. The credit union membership trained by the Dyna-sponsored service provider can now identify both their rights and responsibilities. Subsequently, the management committee realized they were not receiving complete information from the credit union manager concerning the status of the union. They have since ordered an audit. Dyna awaits the results of this audit before proceeding further with MECFAM as they settle their internal governance and financial reporting issues. MECFAM has been unable to provide Dyna with any results reports.

9. PAMECAS. Dyna signed an assistance agreement with the PAMECAS network during this quarter. Dyna will provide PAMECAS with the necessary assistance to install a computer network at the PAMECAS headquarters. A needs assessment was undertaken this quarter and the procurement order launched in the US. The equipment is scheduled to arrive in August and will be installed shortly thereafter. A local firm will be hired to perform the network cabling and training of PAMECAS staff.

10. Union des Femmes Commerçantes - UFC. Dyna signed an assistance agreement with the UFC to provide technical training. The UFC is a breakaway group of women traders from the UNACOIS system that has branches in seven regional capitals. Their objective is to strengthen this nascent credit union around the success of the Thies branch. They plan to formalize their network in 2002 through convening a General Assembly and election of officers. Dyna will provide UFC with technical training assistance of members and technical staff (managers and tellers) and marketing expertise. The training awaits completion of the IQC in late July and should begin in the month of August.

11. CAPEC JOBASS. Resulting from the Thies cycle submission, Dyna signed an assistance agreement with CAPEC JOBASS to provide technical training. This individual and independent credit union is located in Notto Arrondissement of Thies Region and covers roughly 20 villages with around 450 members. They will be in direct competition with the Plan International-PAMECAS expansion into Notto Arrondissement. Selection of the service provider for the training awaits conclusion of the training IQC. Submissions by prospective service providers for this IQC will close in late July and training should begin in mid-August.

12. Ziguinchor and Bakel Cycle Submissions. Two new application cycles for microfinance institution support were held this quarter in Ziguinchor and Bakel during the months of May and June, respectively. The Ziguinchor Information Day was well attended with 79 attendees including representatives from Peace Corps, Africare and USAID Senegal. The Dyna team was impressed with the level of understanding and quality of questions asked in Ziguinchor.

Compared to the Ziguinchor experience, the Bakel Information Day was frustrating due to the low level of general education in the department and the multiple languages used there. The presentation had to be translated into at least three languages for the 59 participants. This was the first attempt by Dyna to present an Information Day at the departmental level outside the peri-urban Dakar region. It was a test case and presented the lesson that a somewhat different approach and planning will be necessary to have full impact at a decentralized level below the regional capitals (see Section C below).

C. Savings Mobilization for Investment: The Dyna Savings and Investment Mobilization (SMI) program continued its impressive growth figures doubling the number of savers and increasing savings mobilized by one and a half times during this quarter. A total of 229 Small Economic Activity Development (SEAD) groups were assisted representing 97 more groups than in the previous quarter. By the end of June 2001 the SMI program had worked in 126 towns, villages and urban neighborhoods. The evolution of the financial figures for these groups over the last three quarters is presented in Table 2 below.

1. Consolidation of Progress. Continued high growth figures for the second straight quarter reinforce the pertinence and demand for the Dyna SMI program. Dyna continues to explore means of "outsourcing" this assistance due to the high demand and approach costs to this highly decentralized program. In addition, some existing microfinance institutions have approached Dyna to request more information on the SMI program as a means to increase their own membership, loan portfolio and capital base. Dyna will hold a workshop of its microfinance technicians to review the SMI program early next quarter in anticipation of the annual strategic planning retreat scheduled for early September. The team members will have internal discussions regarding the program and develop an action plan for fiscal year 2002. The team

will invite one outside participant to attend this in-house workshop; the microfinance division head of the new World Bank funded project, *Agence du Fonds de Développement Social* (AFDS), that has similar interests to the SMI program in grassroots microfinance mobilization.

TABLE 2: Quarterly Results of the SEAD groups

Indicator		Description	Gender	Value				% Growth Q2 to Q3 FY 2001	Comment
				FY 00	FY 2001				
				Q4 Baseline	Q1	Q2	Q3		
Savings	Internal	# of savers	M	na	na	215	442	106%	Dakar, Kolda, Tamba & Thies
			F	70	850	1,847	3,729	102%	
		amount saved	M	230,000	230,000	1,686,550	2,589,550	54%	
			F	450,000	1,720,310	6,048,000	15,045,520	149%	
	External	amount deposited in MFIs	M	0	0	0	0	na	
			F	0	200,000	946,840	1,447,620	53%	
Loans	Internal	# of loans	M	na	na	207	384	86%	Dakar, Kolda, Tamba & Thies
			F	na	na	1,296	3,008	132%	
		amount loaned	M	5,000	429,150	2,397,375	4,167,150	74%	
			F	271,800	1,218,610	9,635,000	23,971,295	149%	
	External	amount obtained as leveraged	M	0	0	0	0	na	
			F	0	400,000	2,725,000	4,525,000	66%	

2. Group Links to MFIs. Twenty (20) groups in the Kolda and Tambacounda regions opened accounts and deposited money in savings associations and various microfinance institutions (e.g., CMS, ACEP, UNACOIS, etc.). Two (2) SEAD groups that deposited 10% of the loan amount with ACEP qualified for and received loans from the latter. One ACEP loan was made in Kedougou (275,000 FCFA) and the other in Kolda (1,000,000 FCFA). Note that the FCFA was worth about 750 to the US dollar during this quarter.

D. Sector Development.

1. Microfinance Related Studies. Contracts were signed and work began this quarter on the two sector development related topics of pocket or palm computing use in microfinance and the microfinance network experience in Senegal. Some of the initial results from the network study were presented in Table 1 at the beginning of this chapter. Both studies will be finalized early next quarter and made available to partners.

2. BCEAO Relations. Dyna met in mid-April with the BCEAO to discuss the project's approach to Business Development services. The microfinance team also attended a restitution session of the BCEAO-funded regional cross-sectional study of the financial viability of microfinance institutions. The Dyna team was invited to the de-briefing by the private firm that prepared the Senegal portion of the study. Dyna staff concluded that the central bank seeks to tighten the qualification criteria for awarding credit union (*mutuelle*) status. If this were to indeed happen, it

would reinforce Dyna's approach to focus on institutional support to professionalize the microfinance institutions.

3. AT-CPEC Relations. Dyna evaluated the computer network needs of the Cellule during this quarter and found them to be on the same scale as PAMECAS and UNACOIS. Dyna, at the request of USAID Senegal, also sponsored two members of the Cellule to attend the annual Microfinance Network Conference in Washington, DC in early June.

4. Microfinance Network Conference. The first manifestation of the Dyna cost co-share program on an international basis exceeded our expectations of participation levels. Dyna widely announced to microfinance sector actors (ex., microfinance institutions, consulting firms, regulatory bodies, etc.) that attendance at the conference would be sponsored with participants paying 25% of the costs, in-cash, before a fixed deadline. Dyna received 24 paying participants but unfortunately the Conference could only accept 12 from Senegal. A shortened list was prepared based upon representation of all actor groups in the microfinance sector and existing Dyna partners.

According to the 12 participants, the Conference was a success and they greatly appreciated the joint attendance of multiple and varied sector actors. This cross-sectional group approach to training proved to reinforce domestic networking while presenting a united national front on the international stage. Dyna will continue to work with cross-sectional group attendance at international fora. The "Senegal 12", as the group became known, also visited other microfinance related groups in the Washington area such as CGAP/CAPAF at the World Bank. At the Chemonics Home Office they had a presentation on the linkage between HIV/AIDS and microfinance as well as the opportunity to play a microenterprise related game entitled BEST. Participants expressed keen interest in learning more about both activities.

5. Information Days. Dyna Microfinance Information Days were held in Ziguinchor and Bakel during this reporting period. Breaking with normal practice of one information Day per quarter, Dyna tried to organized two days to meet the pent-up demand from Ziguinchor-based microfinance institutions and to test the Information Day model at the departmental capital level of decentralization.

F. Microfinance in the Next Quarter. No Microfinance Information Day will be held during the next quarter because of the two held this quarter and the onset of the rainy season. Dyna will focus on clearing-out existing requests for assistance. To facilitate this clearing-out process Dyna will implement the new contracting modalities of BPA, BOA and IQC. One of the first BPA's to be used will be to analyze the various assistance requests from small-scale microfinance groups in the Thies Region. These groups generally do not have formal registration but still need assistance to reach a more formal and professional status. However, their numbers are too large for Dyna staff to evaluate. A series of contractors will be hired to evaluate the training needs of these groups and propose commonalities for training options. Dyna will continue its program of cost-shared training successfully attempted with the Microfinance Network Conference. Training opportunities to be broadly announced during the next quarter include those on offer in Senegal (CAPAF), Burkina (IPD-AOS) and Colorado (Naropa University).

V. BUSINESS DEVELOPMENT

The crowning achievement of this reporting period for the Business Development team was the culmination of several past months of their time involved in negotiation, trade-offs and consultation. The result was a decentralized joint training of trainers program provided outside the urban conglomeration of Dakar by a multilateral institution. Dyna's joint efforts with the ILO's GERME program serve as an example to others of how to successfully move beyond simple coordination of activities to real collaboration. Drawing on the strengths of both parties, prepared modules and methodology from ILO, regional knowledge and experience with for-fee training by Dyna, provided a stronger product for increasing the value of both groups to the final client.

Continuing to deal with increased demand from the private sector for Dyna-supported training, the Business Development team focused energies this quarter on developing technical terms of reference for the new contracting modalities of BPA, BPO and IQC. Once these are in-place next quarter the team will be prepared to immediately implement contracts with multiple service providers to address the already existing demand for training.

Activities related to information technology have increased with the addition of DynaDakar Specialist in this area to the Business Development team. Progress is evident through the organization of a second series of cybercafe trainings, a contract to perform a census of the existing cybercafes in Senegal, and the preliminary design of an Internet Passport to assist users to increase the usefulness of their on-line experience. An interesting synergy within the Business Development team is the increase in business registered by TPS-Thies after their participation in the Dyna-sponsored Thies Business Forum from the first quarter of this fiscal year.

A. Information Dissemination.

1. *Kolda Dairy Investment Opportunities - Review and Follow-up.* The ad-hoc commission created last quarter consisting of producers, processors, potential investors, financial institutions, technicians and service providers, all involved or interested in investing in the sub-sector, prepared an action plan for implementation. Four members of the commission submitted for and received credit lines with the SODEFITEX program.

2. *RFP Web Site:* The tender bid website became publicly operational during this reporting period. The site was publicly announced through local newspaper ads. In spite of all the corrections incorporated through the alpha and beta-test stages, the real-life testing also identified problems. Foremost among these problems was limited site access due to site-hosting problems with the local service provider (TPS-Dakar). DIRECO, the Dyna contractor implementing the site, changed service providers to deal with this problem.

3. *Radio OxyJeune Broadcasts:* The weekly Radio OxyJeune broadcasts continue to be popular. Part of the success is attributable to OxyJeune's use of an interactive format that involves the listener calling in questions for that week's featured specialist from a given business sector. Another successful attribute is the mixed French-Wolof nature of the broadcast.

4. Family Businesses: Following-up on the conclusions from the Dinner-Debate held last Fall on the subject of sustaining family businesses across generations, Dyna sponsored a two-day retreat in Saly Portudal of family business operators to discuss next steps to result in concrete recommendations for action. The key result was the conclusion to form an Association of Family Enterprises in Senegal to bring issues forth, to lobby for support and to provide information and assistance to members.

5. Internet Passport: Dyna contracted with a local Internet firm to perform a census of the existing cybercafes in Senegal. Information to be collected included contact data, size of the enterprise, major client base, financing, infrastructure, problems confronted and proposed solutions. Preliminary results indicate over 180 cybercafes in Senegal in mid-2001. Information from this census, plus additional Internet related information, will be published in an Internet Passport to Senegal for sale to users. Dyna will also use the information gathered in this census to inform future support activities to this nascent subsector.

6. Vetiver Activities: Dyna, along with local nurseries and partners such as Peace Corps, has established eight (8) different demonstration sites for vetiver technology throughout the country. These sites have been installed over the last few months with the express idea of benefiting from the upcoming rainy season to establish the plants. While these sites disseminate information on and stimulate demand for this eco-technology, Dyna continues to work with local nurseries to propagate vetiver supply.

Dyna worked extensively with the local cement factory, SOCOCIM, to develop a terms of reference for demonstration sites to protect the latter's investment in road infrastructure. Dyna demonstrated to SOCOCIM authorities the infrastructure stabilization uses of vetiver technology in multiple settings and convinced them that the local private sector could provide the material and expertise. SOCOCIM will let one or several contracts with local firms to establish these road protection demonstration sites during the course of this rainy season. Finally, a Dyna funded report on the sources of supply and the various traditional uses of vetiver in Senegal (*tchepp* in Wolof) was completed and will be disseminated next quarter.

B. Decentralization.

1. Partnership with ILO's GERME program: The Dyna and International Labor Organization (ILO) joint training program was implemented during the first ten days of May 2001. After several months of discussions, negotiations and refinements a decentralized training-of-trainers program was held at Goudiry in Tambacounda Region. This marked the first time that ILO's GERME (*Gerer Mieux Votre Entreprises*) training program had been held outside of a capital city. Twenty (20) participants rigorously chosen from Mbour, Thies, Tambacounda, Kolda and Ziguinchor participated in the ten-day training. GERME staff provided the training using their pre-prepared content and methodology. Dyna provided the impetus to decentralize the training, introduced training on a for-fee basis and stimulated two new training modules covering information technology and corporate citizenship.

With the training completed the trainees now enter the practical stage in which they are required to organize and present a training under the watchful eye of a GERME certified coach. If the trainee performs well under the tutelage of the coach they will be awarded their GERME Trainer

Certificate and can independently provide training services using the GERME logo. Existing demand for training from Dyna clients will be used to provide opportunities for these new trainees to obtain this key practical experience. This landmark collaboration between a regionally-mandated, multilateral program and a national-level, bilateral project has surpassed the interests and expectations of all parties and can serve as an example for other coordinated efforts.

2. Peace Corps Community Training Centers (CTC): The subsector study of Peace Corps CTCs, implemented by USU, was completed and submitted this quarter. As part of an overall, 5-year programmatic audit, this subsector study helped inform the decision by Peace Corps management to retain portions of their CTC program. At this writing Peace Corps had opted to continue support for three (3) of the CTCs in Senegal.

C. Training

1. Cybercafe Training: The second series of cybercafe trainings was held during this quarter. Recall that the first series was held in Pikine and Tambacounda. Thies and Rufisque were targeted for this series. The training was organized, as in the previous series, by a local Internet firm assisted by a regional (Moroccan) consultant. The training occurred in two locales during the latter part of June. The location for the second training had to be changed from Rufisque to Petit Mbao at the last moment because the lodging institution reneged on its reservation with Dyna to accommodate their own needs. Dyna staff responded admirably to this problem without significant perturbation of the program. In fact, Dyna discovered a very nice location for immersion training at Petit Mbao.

PHOTO 3 : Cybercafe Training in Thiès

A total of 21 participants paid for the two-day immersion training, although this number was unequally distributed across the two locales (6 in Thies and 15 in Petit Mbao).

Dyna will make adjustments in future trainings to better balance class size when locales are sufficiently close together, such as Thies and Petit Mbao. The elevated price for this training may also have had a negative impact on attendance in the more rural setting of Thies (98,000 FCFA per participant, inclusive).

Drawing on feedback from the first series of cyber training, Dyna

introduced a session within the training in which microfinance institutions provided potential investors with information on how to apply for funding from them. UNACOIS, ACEP CMS, FDEA and MECARTH all attended a session on financing cybercafes. Another innovation from the first series was the contractual obligation of the trainer (YINTERNET.ORG) to make at least one site visit to each participant over the course of the next quarter.



2. Neem Transformation Training: Over the course of six (6) days a total of seven (7) groups were trained in *neem* transformation in the southern town of Kolda. The Kolda groups had expressed interest in obtaining a training in *neem* transformation and Dyna found a group in Louga that had the appropriate technology to transfer. Acting in its role as broker, Dyna put the demand and the supply together. Techniques covered include oil extraction, conversion of oil into soap, and use of secondary products for biological plant protection. Participants at the training were responsible for passing on the techniques to the other members of their respective organizations. Given the heightened interest in *neem*, Dyna is exploring the idea of a local subsector study on transformation techniques, product uses, and marketing of *neem* by-products.

3. Mango Drying in Kolda. Follow-up to the training in mango processing provided to three local organizations in Kolda revealed that only one of the groups (*Naange Fuladu*) was still active in the sector. However, this group has had notable success. They marketed their production at this year's St. Louis Jazz Festival selling large amounts. They also made contact with a St. Louis based Peace Corps Volunteer to assist further marketing in this tourist center of northern Senegal. For this year's production they have a purchase contract with a Goree-based trader to purchase their entire production at 8,000 FCFA per kilogram.

PHOTO 4 : *Management training for the Women's Livestock Association*

4. Management Accounting Training: In late June a local training firm provided GERME training in Management & Accounting to the Dakar branch of the Women Livestock Operators Association. This particular training is a merger of the traditional GERME modules for Stock Management and Accounting. The resultant merged module has been a source of great demand among women's groups serviced by Dyna over the last year.



D. BizDev Next Quarter. The Dairy ad hoc commission will make a one-week study tour of dairy interests in Dakar early next quarter. This tour will include a radio program on the dairy sector broadcast by Radio OxyJeune. The tour will culminate with a Dinner-Debate involving actors from all segments of the dairy subsector in Senegal. A pool of website design and creation providers will be created to service client needs accessed through a blanket purchase agreement mechanism. Similar service provider pools will be created for training of business associations and groups as well as for animator-organizers of decentralized business fora. All of these pools will allow Dyna to respond more quickly and efficiently to the increasing demands for training emanating from the Senegalese private sector. The BizDev team will also work with the Microfinance Team and other partners to develop a plan to implement the BEST training game identified during the Washington visit of the Senegal 12 as an opportunity to further train microentrepreneurs.

VI. MONITORING, EVALUATION, ANALYSIS AND RESULTS REPORTING

The Monitoring and Evaluation team continued to work with client groups to improve their collection, reporting and use of monitoring information. Site visits were made to client locales in the regions of Thies, Diourbel and Dakar during this quarter to work with those client employees directly involved with data collection. During the quarter the M&E team had the opportunity to meet with and ask questions of a representative of the Microenterprise Results Reporting (MRR) program based in Washington. This opportunity also presented the chance to explain the Dyna approach to the MRR representative and to ascertain the best means of integrating Dyna client generated data to the worldwide, on-line data collection and comparison process that is MRR. The contractually-obliged indicator data for the Dyna project are presented in tabular form in Annex I to this report.

A. Microfinance

Performance data for the Microfinance team presented in Annex I demonstrate that the fiscal year objectives have already been obtained. Targets were exceeded even when all existing clients are not yet reporting on a quarterly basis. When their figures become available the results will be even more encouraging. Data are available from UNACOIS, the *Union des Femmes Commerçantes*, UMEC, FNGPF and ACEP. Data from RECEC are not included because this microfinance network is still having difficulties reporting data on a regular basis. Dyna will begin a follow-up training with RECEC to address this problem.

Another exception to the excellent progress being made by Dyna microfinance clients is the individual credit union MECFAM. They have also been incapable of producing data for the last two quarters. The size of MECFAM is not the source of the problem because it consists of only around 300 individual members (of which 10 are men) and roughly 60 women's groups. The problem is internal and linked to the manager of the credit union. The Dyna-sponsored training provided to the MECFAM members empowered them to understand their manager was not completely open with them. The membership requested an audit of the credit union accounts that is presently underway. Dyna awaits the outcome of this audit before undertaking any future activities with MECFAM.

B. Business Development

The Business Development team indicators are also globally on-target for this fiscal year. Scheduled activities for the remaining quarter should produce the targeted results by the end of the fiscal year. For example, the figure for fee-paying trainees for the year was only 23 participants short of the annual target at the end of the third quarter. It is also notable that no one has requested the money-back guarantee on the for-fee training. The one exception to this positive overall performance is the Tambacounda TechnoFair which has now been postponed to next fiscal year. This postponement is due to the beginning of the rainy season and the unavailability of most of the targeted clientele for the TechnoFair due to agricultural responsibilities.

C. M&E Next Quarter

During the next quarter the M&E team will focus on inputting data on the MRR website, particularly for the microfinance partners. It was explained to the MRR representative that microfinance institutions have a deadline of end June to report their previous year's financial data to the central bank. Dyna requests its partners, a subset of all groups reporting to the central bank, to submit data on a quarterly and preferably monthly basis. Dyna awaits the national level figures from the previous year available at the end of June, combines these with the more recent partner data in July and will update the Senegal entry to the MRR website in August.

The team will continue to increase skill levels by following Advanced Excel and FrontPage training in Dakar. This training is also being offered to Dyna Administrative and Technical staff to improve their abilities to use, share and publish monitoring data. The team will also launch a blanket purchase agreement (BPA) to identify consulting firms or individuals capable of providing technical assistance to Dyna clients to collect, exploit and report on monitoring data. The resultant pool of consultants will allow the M&E team to leverage their impact on Dyna clients' internal M&E collection and use of data. RECEC and MECFAM will be the first Dyna clients to avail themselves of this new support modality.

VII. FINANCIAL STATUS

The present financial reporting period covers the calendar months of March through May 2001 because of the one-month lag in submitting and registering expenditure vouchers. Total expenditures over this three-month period were a project record of almost \$1.4 million. This expenditure level reflects a general growth trend within project expenditures as activities and partners continue to expand. Table 3 below presents the project expenditure information by monthly invoice, Contract Line Item (CLIN) and percent of total expended per line item during the project. The Life of Project (LOP) budget and balance are also presented.

Labor remains the largest and most stable budget line item since it is less subject to seasonal influences on expenditure patterns. The Equipment line item increased significantly in April because of procurement of computers and other material to equip the Thies and Ziguinchor regional offices, as well as complementary equipment for the expanding Dakar office. The Training line item, dedicated to PME activities, continues to expend between 10 and 20,000 per month. The Grants line item, attributed solely to microfinance activities, increased significantly in May due to computer related procurements for microfinance partner groups. This equipment, procured in the US, will be delivered and installed during the next quarter. The value of the Base Fee continues to be a function of other expenditures, representing roughly 2.8% of certain other costs. The Annual Fee remains inactive as negotiated in the original contract.

TABLE 3: Invoices Submitted to USAID by Chemonics (cumulative & March-May 2001)

		LOP	Invoices 1-16	17	18	19	Total	% of	LOP
		BUDGET	Nov-99 to	Mar-01	Apr-01	May-01	Invoiced	CLIN	Budget
			Feb-01				To-Date	Expended	Balance
0001AA	1 Labor	12,220,820	2,659,064.82	192,517.94	230,711.36	229,758.25	3,312,052.37	27.10%	8,908,767.63
0001AB	2 Material & Equipment	639,196	669,702.72	1,231.29	132,703.04	21,144.38	824,781.43	129.03%	-185,585.43
0001AC	3 Training	1,047,800	132,817.29	10,008.40	23,246.93	20,030.59	186,103.21	17.76%	861,696.79
0001AD	4 Grants	11,525,800	546,083.20	1,890.40	58,011.74	412,943.49	1,018,928.83	8.84%	10,506,871.17
0001AE	5 Base Fee	658,412	117,909.67	6,407.72	13,081.27	18,677.67	156,076.33	23.70%	502,335.67
0001AF	6 Award Fee	371,062	0.00	0.00	0.00	0.00	0.00	0.00%	371,062.00
		26,463,090	4,125,577.70	212,055.75	457,754.34	702,554.38	5,497,942.17	20.78%	20,965,147.83

Expressed as a percentage of total quarterly expenditures, the Labor line item decreased this quarter from the usual 60 to 65% to roughly half of all expenditures (48%). This decline was due to increases in the Equipment and Grants line items from previous trends. The Training line item continues to represent between 2 and 4% of quarterly costs incurred. Grants increased to about one-third of quarterly expenditures, principally due to the increased costs related to the computer related procurements for microfinance partner institutions. The Base Fee remains around 3% of total expenditures in any given quarter.

The amount expended since the beginning of the project is just over one-fifth (20.78%) of the total budgeted reflecting the equivalent of one year within a five-year project. The project has been active for a year and a half. Expenditures remain on-target when the start-up period is taken into consideration along with the non-linear nature of project expenditures over the project lifecycle. Projects' generally accelerate expenditures above the mean during their mid-years

and have expenditures below the mean in the start-up and phase-out periods. The resulting expenditure pattern is more like a bell-curve than a smooth and even set of monthly expenditures. The Dyna project's expenditure patterns resemble this typical statistical bell-curve shape.

Given Dyna's tender bid approach to project implementation, a significant value of accruals due on contracted deliverables must be taken into consideration in analyzing the quarterly financial picture. Accruals (difference between commitments under contract and actual disbursements) at the end of this quarter remained significant with the equivalent of \$475,000 and \$40,000 outstanding for Microfinance (Grants) and PME (Training), respectively. When this total of contracted expenditures (\$515,000) is added to actual expenditures the total amount of the project budget engaged reaches 24% or roughly one-quarter of the project lifecycle.

ANNEXES

ANNEX I FY 2001 Quarter 3 Results Reporting Table

ANNEX II Success Story – UNACOIS Parcelles Assainies Unité 14

ANNEX III Success Story – UMEC Sédhiou

#	TEAM	Indicator	Measure	Value					Comment	
				CY 99	FY 2000		FY 2001			
				Baseline	Target Q4	Q4	Target Q4	Q2		Q3
1		# of institutions using full cost-recovery interest rates and fees	among institutions receiving assistance from DynaEntreprise	0	3	2	8	2	6	UNACOIS,UFC, UMEC, FNGPF, ACEP, COFDEC
2		# of institutions with delinquency reates below 10% and loan losses under 5% of the institution's loan portfolio	# with delinquency rate below 10%	0	2	2	6	3	6	UNACOIS,UFC, UMEC, FNGPF, ACEP, COFDEC
			# with loan losses below 5%	0	2	2	6	3	6	UNACOIS,UFC, UMEC, FNGPF, ACEP, COFDEC
3	MFI	# of new savers disaggregated by gender	% growth of male savers	1,845	5%	too early in the assistance cycle to report; assistance began in 4th quarter of FY 2000	1,937	6,901	9,384	UNACOIS,UFC, UMEC, FNGPF, ACEP, COFDEC
			% growth of female savers	8,369	5%		8,787	10,813	10,850	UNACOIS,UFC, UMEC, FNGPF, ACEP, COFDEC
4	# of active borrowers disaggregated by gender	% growth of male borrowers	1,919	5%	2,015		1,536	2,421	Groupements # of savers : 3276	
		% growth of female borrowers	6,487	5%	6,811		3,573	4,625	Groupements # of active borrowers: 970	
5		value of loans offered	% growth	736,129,775	5%		772,936,264	2,117,483,311	2,499,105,824	Men, Women and Groupements
6		value of savings collected	% growth	404,040,697	5%		424,242,732	1,143,240,000	1,465,576,536	
7		branch offices trained	number	0	50	68	150	65	78	UNACOIS, FNGPF, COFDEC, MECFAM, RECEC
8		managers & tellers trained by gender	number	0	100	104	250	68	97	
			% women	0	40%	83%	50%	72%	75%	
9		# of SMEs, associations and groups in targeted that purchase quality business services	# of fee paying trainees	0	50	119	200	100	177	Training FCGPF Tamba(43), Directoire Femmes Eleveurs Tamba(40), Serigraphie(11),Radio Journalistes(7), Unacois Kolda(17), Cybercafé(21), Transformation Neem(18), Formateurs Germe(20)
			% of trainees reclaiming the guarantee	0	20%	0%	10%	0%	0%	
10	PME	# of SMEs, associations and groups accessing information through interactive services & events	# of clients interacting	0	0	0	500	169	251	Business Forum Thiès et Kolda(88), Salon de l'entreprise Kolda(13), Emissions radio Oxyjeunes(90), Restitution Filière laitière(60)
		# of SMEs, associations and groups attending paid events or functions that disseminate information on technology	# of paying attendees	0	60	47	60	0	0	major activity is scheduled for October 2001 (Tamba TechnoFoire)
12		# of SMEs, associations and groups that access information on technology through a new means	# of attendees	0	500	2,000	4,100	620	1879	# of connections on tender bid web site (1759), vetiver site (120)

Credit Union Enters the Information Age

UNACOIS Credit Union Branch Unité 14 – Parcelles Assainies

Dyna has provided standard computer hardware and software configurations for microfinance credit unions experiencing significant levels of daily transactions that made manual entry extremely time consuming. Time spent entering, checking and correcting manual calculations meant time away from other tasks of loan portfolio, branch and client management. One such case was the UNACOIS network of credit unions. UNACOIS is a national association of businessmen involved in trade and semi-industrial activities. UNACOIS has roughly 30 branch offices nationwide and is expanding rapidly.

The Branch Manager at a peri-urban Dakar office, entitled Unit 14 in Parcelles Assainies, came to the training with no previous computing experience. After delivery of the computers and initial training were followed by a series training revisits the Manager made significant progress. Fadel Sakho, the Branch Manager of Unit 14, recounts the story in his own words :

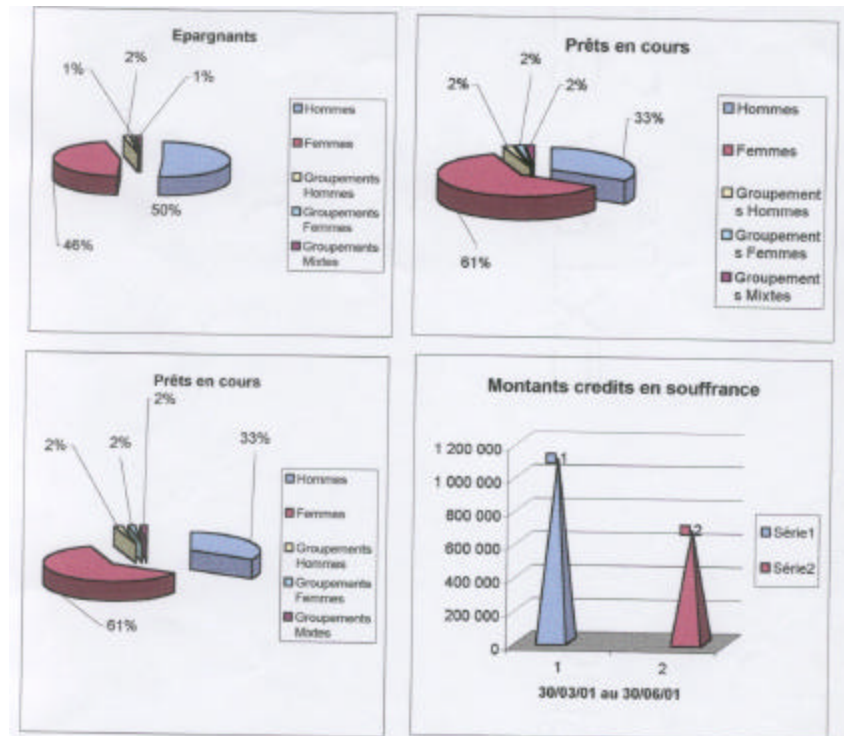


"I began with a very low level in computers. In addition, I had been working for 4 years with UNACOIS and I had never even touched a keyboard. The first training was very theoretic and we had to wait for the delivery of the computers. After that the training revisits provided opportunity to increase our knowledge and use of the computer."

"After the computer training and revisits we gained significant amounts of time; for example, the daily closing of the books that used to take 3 hours by hand now take only 1 hour. Furthermore, the account information has become more reliable"

because the risk of errors has been reduced. This rapid service also attracted clients who now have increased confidence because they have immediate access to their account balances.”

“At my own initiative, I decided to introduce some financial analysis for the branch office. With my Excel training I created tables and diagrams that would facilitate monitoring of the financial indicators of the branch office, explaining the tendencies over time and allowing us to make corrections where needed.”



Mr. Sakho's experience and knowledge can now be replicated across the branch offices of the UNACOIS network because the tools he created can also serve the analytical and reporting needs of sister branches. His example of initiative and application of his training to address his own needs will also provide an example to other Branch Managers within the UNACOIS network. Mr. Sakho is well on his way to using computing as a tool to make his branch office more productive, client-oriented and informed of its own progress.

Donor Coordination Reaps Significant Benefits

UMEC Sédhiou

Dyna's assistance to the UMEC network of microfinance credit unions in the Sédhiou Department of southern Senegal has had a positive but unexpected spin-off benefit. UMEC consists of 22 branch offices that are the result of a merger of two bilaterally funded projects by European donors (German PSPI and Italian PRIMOCA). Dyna was approached by UMEC to assist them to consolidate the gains of this new merger. Dyna responded with two initiatives providing technical assistance and a marketing campaign to stimulate both internal and external awareness of the new network. Traditionally, the introduction of a third partner to this already cross-cultural mix of assistance approaches and funding would be a recipe for disaster. A natural and almost parental-type reaction of the previous donors that created the branches and nascent network would be to shun the new outsider coming late to the program. However, this did not prove to be the case in Sédhiou once Dyna began activities with UMEC. Dyna's approach actually reinforced the other donor's efforts and incited them to continue and increase their assistance in this coordinated and collaborative manner.

Dyna's program to assist existing microfinance institutions rather than creating new decentralized financial systems depends upon close working relationships with both the clients and their traditional partners. Once a client expresses interest in working with Dyna the technical staff make every effort to share information and findings with both to assure complementary assistance to the client. The concrete manifestation of this approach was in May 2001 when Dyna-funded technical assistance held a large forum in Sédhiou with the client, their partners and other interested local parties to discuss findings on the preliminary evaluation of UMEC's needs. This evaluation proved to be consistent with the appreciation of the other partners. The open sharing of information broke down traditional barriers to coordination and collaboration. A far-reaching and thorough discussion, centered around UMEC's needs, served to reassure all parties that Dyna's interests were solely to assist UMEC to achieve financial, economic and institutional sustainability as the network grew over time and justified by regular monitoring of results achieved.

This open approach to coordination and collaboration of partners around a mutual client is no longer limited to Dyna. The German-funded donor followed the May 2001 forum with a similar event in June to which all existing and potential partners of UMEC were invited. At this event specific tasks were allocated among the intervening UMEC partners. For example, the Germans announced that they would complement the Dyna assistance through additional funding of a trainer and two inspectors at UMEC headquarters. The Italians, for their part, provided additional funding for the headquarters building, office equipment and vehicles. The two fora of May and June had identified all these actions, as well as those already underway by Dyna, as priorities for UMEC's advancement. Partners provided the assistance that was most consistent with their respective mandates in a complementary fashion that brought greatest value to the client UMEC. A Canadian assistance program (FREP), new to this department but not the region, attending the fora has also expressed interest in coordinating their assistance to UMEC.

Dyna's approach has called an end to the counterproductive "Donor Wars" in Sédhiou.

RAPPORT TRIMESTRIEL DE PERFORMANCE

DynaEntreprises Sénégalaises – Contrat Chemonics

Avril 2001 – Juin 2001

Trimestre 6 sur 20

CONTRACTEUR : Chemonics International, Inc.
CONTRAT # : 685-00-00-C-00002-00
PERIODE DU RAPPORT : Avril 2001 – Juin 2001 (trimestre 6 sur 20)
BUREAU USAID : Objectif Stratégique #1

I. SOMMAIRE EXECUTIF

Dyna a pu trouver les locaux devant abriter le bureau à Ziguinchor pendant ce trimestre qui couvre les mois d'Avril, Mai et Juin. Le contrat de location sera signé le trimestre prochain et le bureau ouvert en Août permettant ainsi d'atteindre le nombre de bureaux régionaux prévu à l'origine dans le contrat. Ce trimestre nous avons assisté au départ programmé de la Directrice Administrative et Financière pour le siège de Chemonics à Washington. Elle a été remplacée grâce à un recrutement au niveau local. Le départ aussi programmé de la Directrice Administrative du département Microfinance a eu lieu à la fin de ce trimestre ; ce qui fait passer le personnel expatrié du projet de cinq à trois personnes. Avant son départ, la Directrice Administrative de la Microfinance a travaillé avec le département Administratif du projet pour mettre au point et présenter à l'équipe de Dyna trois nouvelles modalités de contrat. Ces modalités qui seront lancées le prochain trimestre sont : le Blanket Order Agreement – BOA – (Accord cadre), le Blanket Purchase Agreement – BPA – (Contrat cadre), le Contrat à Quantité Indéfinie (CQI).

L'Equipe Microfinance a organisé deux Journées d'Information à Ziguinchor et Bakel respectivement en Mai et Juin. Des accords de partenariats ont été signés ce trimestre avec de nouveaux partenaires : le réseau PAMECAS pour l'informatisation du siège, l'Union des Femmes Commerçantes (UFC) pour la formation et le marketing et la caisse indépendante et individuelle CAPEC JOBASS pour la formation. L'évaluation des besoins pour la mise en réseau informatique est entreprise pour PAMECAS, UNACOIS et la Cellule AT – CPEC du Ministère des Finances. Les rapports préliminaires sur les Etudes sur le Palm Computing et sur l'Expérience des Réseaux en Microfinance au Sénégal sont disponibles et seront complétés le trimestre prochain. Le programme sur la Mobilisation de l'Epargne et l'Investissement au niveau des villages continue d'afficher des croissances significatives. Au début du mois de Juin, Dyna a permis à douze (12) sénégalais évoluant dans le secteur de la Microfinance d'assister à la Conférence sur la Microfinance à Washington. Tous les participants ont payé 25% du coût total pour assister à cette conférence.

Ce trimestre, l'Equipe du département PME poursuit son programme de formation novateur avec des activités de suivi pour le traitement de la mangue et la transformation du neem. Cependant, le plus grand succès demeure l'aboutissement de plusieurs mois de négociations avec le BIT/GERME pour décentraliser et partager le coût de leurs modules de formation intitulés GERME (Gérer Mieux votre Entreprise). Le BIT/GERME et le staff de Dyna ont travaillé durant plusieurs mois pour mettre en place une formation conjointe en GERME dans la région de Tambacounda. Cette formation qui a finalement eu lieu au mois de Mai 2001 constitue un exemple de collaboration entre un programme régional multilatéral et un projet national bilatéral pour lequel chacune des parties a apporté son expertise pour arriver à améliorer le produit final destiné au client. Ce trimestre, Dyna a aussi entamé des activités significatives orientées vers les Technologies de l'Information. On peut citer la

publication du site web d'appels d'offres (3722 visiteurs au moment de la rédaction de ce document) et un recensement de tous les cybercafés au Sénégal (180 au milieu de l'année 2001). Une autre activité relative aux Technologies de l'Information ce trimestre est la seconde série de formation cybercafé qui a eu pour cadre Thiès et Petit Mbao.

Dyna a enregistré des dépenses records d'un montant de 1,4 millions de dollars ce trimestre. Le total des dépenses effectuées jusque là ne représente que 20% du total des fonds alloués au projet. Les charges, ajoutées à ces dépenses « réelles », font passer le montant à environ 25% des fonds alloués. Ces charges découlent de la politique d'appels d'offres initiée par Dyna dont les résultats en attente, mais contractuellement engagés à travers les différents contrats signés avec les prestataires de services. Une fois que les dates butoirs pour les livrables sont proches et que les contractants s'acquittent de leurs engagements, ces charges baissent. A la fin de ce trimestre, les charges s'élèvent à environ 515 000 dollars.